

EXHIBIT 3



A shipping warehouse in Felixstowe, England. Britain's election result has handed Prime Minister Boris Johnson a mandate to leave the European single marketplace.

Brexit heralds a new trade era

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to impose tariffs. Its appellate body, which adjudicates disputes, has been rendered inoperative by the Trump administration's blocking of new judges. The panel needs at least three judges to render verdicts, but now has only one.

"The sense that policy moves in one direction, toward more liberalization and more integration, has been replaced by recognition that policy can go backward as well as forward," said Brad Setser, a senior fellow at the Council on Foreign Relations in New York.

The United States and China together account for more than a third of the global economy, making their wave of escalating tariffs a cause for alarm about diminishing fortunes in nearly every country exposed to international trade — from Germany to South Korea to Mexico.

President Trump has put stock in the unrivaled scale of the American economy in seeking favorable trading arrangements. In his calculus, the United States boasts the advantage in any bilateral trade negotiations and can tilt the rules toward American interests.

This was the logic that prompted Mr. Trump to renounce American participation in the Trans-Pacific Partnership, a trade bloc spanning a dozen countries. It was a project pursued by his immediate predecessor, President Barack Obama, in part to press China to address longstanding complaints that it subsidized key industries, doled out credit to favored companies and manipulated the value of its currency to gain an advantage in world markets.

In taking on China, the Obama administration employed the multilateralist mind-set that had guided American policy since the end of World War II. The Pacific trading bloc would set rules on investment, labor and environmental standards. Its members would profit through growing trade, and China would want in. To gain access, China would be forced to adopt the bloc's rules.

But in Trumpian thinking, multilateralism is for suckers. Shortly after he was sworn in, declaring as his credo "America First," Mr. Trump ditched the Pacific bloc and weaponized the American market: If China wanted access to the 327 million consumers in the richest country on earth, it would have to buy more American goods and play fair.

On Friday, Mr. Trump cited the preliminary agreement as evidence that the strategy was working. The United States would sharply reduce the tariffs it had affixed to Chinese goods, while China promised to buy more American farm products and respect intellectual property. Mr. Trump called it "an amazing deal for all."

But economists said the announcement of new farm purchases reflected goods that China was already buying. Even as the scrapping of the next wave



A cattle ranch in Ireland. Brexit may affect the seamless flow of goods across Europe.

of tariffs weighed as positive for the global economy, few were proclaiming the advent of enduring peace. The United States and China have descended into such an adversarial state that they are likely to continue seeking alternatives to exchanging goods and investment. Companies that make goods in China will face pressure to explore other countries, posing disruption to the global supply chain.

China's leaders have come to construe trade hostilities as part of an American bullying campaign engineered to suppress their national aspirations and deny the country its rightful place as a superpower. Nationalist sentiments and security concerns have become intertwined with trade policy, complicating the pursuit of a final deal.

Now Britain, in leaving the European bloc, embarks on a strategy aimed at securing bilateral trading arrangements with major economies, from the United States and China to Australia and India. Trade deals are complex and difficult. They entail prying open new markets for exports in exchange for exposing domestic companies to new competitors. Powerful interest groups complain. Deals take years.

Arithmetic reveals that no combination of trade deals is likely to compensate Britain fully for what it stands to lose in walking away from the European single marketplace, a territory stretching from Greece to Ireland.

Britain sends nearly half of its exports to the European Union, a flow of goods imperiled by Brexit. Britain's appeal as a headquarters for multinational companies will be undermined as it finds itself separated from the Continent by a revived border.

The fraying of international trading arrangements and the rise of nationalist imperatives have been driven by intensifying public anger in many countries

over widening economic inequality, and the perception that trade has been bountiful for the executive class while leaving ordinary people behind.

In Britain, struggling communities used the June 2016 referendum that unleashed Brexit as a protest vote against the bankers in London who had engineered a catastrophic financial crisis, and who then forced regular people to absorb the costs through wrenching fiscal austerity.

In the United States, Mr. Trump's political base has rallied to his trade war. In Italy, France and Germany, furious popular movements have fixed on trade as a threat to workers' livelihoods, while embracing nationalist and nativist responses that promise to halt globalization.

The British election amounts to the most consequential upsurge of economic nationalism in generations.

"The era of freewheeling markets and liberalism is ending," said Meredith Crowley, an international trade expert at the University of Cambridge in England. "People are dissatisfied with the complexity of policy and this feeling that those who have the levers of policy are somehow out of their reach."

Economists see perils in this unfolding era, especially as governments champion national industries at the expense of competition. They point to history, notably the Great Depression, which was deepened by a wave of tit-for-tat trade protectionism kicked off by the United States through the Smoot-Hawley Tariff Act of 1930.

The law sharply raised tariffs on a vast range of agricultural and factory

goods, prompting American trading partners to respond. As world trade disintegrated, nationalist rage spread, culminating in the brutalities of World War II.

The British election, and the splintering of the European trading bloc, amounts to the most consequential upsurge of economic nationalism in generations.

"Since Smoot-Hawley, I don't think we have seen something as dramatic as this," said Swati Dhingra, an economist at the London School of Economics.

One major variable has gained clarity: Congressional Democrats and the Trump administration last week hailed an accord that clears the passage of the renegotiation of the North American Free Trade Agreement, the deal that has allowed some \$1.2 trillion worth of goods a year to be exchanged freely across the United States, Canada and Mexico.

Yet on another front, Mr. Trump has threatened to impose tariffs on imported automobiles, a step that would be especially disruptive in Germany, Europe's largest economy. Germany sells far more goods to the United States than it imports, drawing the ire of the American president.

Mr. Trump has openly warned that he could cite a national security threat as justification for auto tariffs. Trade experts have derided that strategy as an affront to the norms of the international trading system.

Last month, Mr. Trump allowed a self-imposed deadline to lapse without imposing auto tariffs. But he has left a major international industry guessing about what happens next.

Since Britain shocked the world with its vote to abandon the European Union, its political institutions have tangled themselves in knots trying to decide what to do with their nebulous mandate to leave. Businesses have deferred hiring and investments, awaiting clarity on future trading terms.

The uncertainty has already exacted significant costs, and far beyond Europe, according to a new paper by Tarek Hassan, an economist at Boston University, and three European accounting experts, Stephan Hollander, Laurence van Lent and Ahmed Tahoun.

Some analysts suggested that the election enhanced the possibility that Mr. Johnson would pursue a softer form of Brexit, keeping Britain closer to the European market. His majority is so comfortable that he need not worry about alienating the hard-liners in his party who favor a clean break with Europe.

But some alteration now lies ahead. If Brexit uncertainty has been damaging, what replaces it is the near certainty of weaker economic growth and diminished living standards.

"It's going to have massive implications," Mr. Hassan said.

Campaigns doing little to curb disinformation

Few politicians have teams to spot false statements online or stop their spread

BY DAVEY ALBA

In 2018, Lisa Kaplan assembled a small team inside the re-election campaign for Senator Angus King, an independent from Maine. Wary of how Russia interfered in the 2016 presidential election, it set out to find and respond to political disinformation online.

The team noticed some false statements shared by voters, and traced the language back to Facebook pages with names like "Boycott The NFL 2018." It alerted Facebook, and some pages were removed. The people behind the posts, operating from places like Israel and Nigeria, had misled the company about their identity.

Today, Ms. Kaplan said, she knows of no campaigns, including among the 2020 presidential candidates, that have similar teams dedicated to spotting and pushing back on disinformation.

They may "wake up the day after the election and say, 'Oh, no, the Russians stole another one,'" she said.

Less than a year before the 2020 election, false political information is moving furiously online. Facebook users shared the top 100 false political stories over 2.3 million times in the United States in the first 10 months of this year, according to Avaaz, a global human rights organization.

The examples are numerous: A hoax version of the Green New Deal legislation went viral online. Millions of people saw unsubstantiated rumors about the relationship between Ukraine and the family of former Vice President Joseph R. Biden Jr. A canard about the ties between a Ukrainian oil company and a son of Senator Mitt Romney, the Utah Republican, spread widely, too.

Still, few politicians or their staffs are prepared to quickly notice and combat incorrect stories about them, said dozens of campaign staff members and researchers who study online disinformation. Several researchers said they were surprised by how little outreach they had received from politicians.

Campaigns and political parties say their hands are tied, because big online companies like Facebook and YouTube have few restrictions on what users can say or share, as long as they do not lie about who they are.

But campaigns should not just be throwing their hands up, said some researchers and campaign veterans like Ms. Kaplan, who now runs a start-up that helps fight disinformation. Instead, they said, there should be a concerted effort to counter falsehoods.

"Politicians must play some defense by understanding what information is out there that may be manipulated," said Joan Donovan, a research director at Harvard University's Shorenstein Center. Even more important for politicians, she said, is pushing "high-profile and consistent informational campaigns."

Too many campaigns are now left on their heels, said Simon Rosenberg, who tried to thwart disinformation for the Democratic Congressional Campaign Committee before the 2018 midterms.

"The idea of counterdisinformation doesn't really exist as a strategic objective," he said.

Political groups are not ignoring false information. Bob Lord, the chief security officer of the Democratic National Committee, encourages campaigns to alert his organization when they see it online.

The committee also gives advice on when and how to respond. He said campaigns must decide when the costs of ignoring a falsehood outweighed drawing additional attention to it by speaking out.

But he said his reach was limited. "The amount of disinformation that is floating around can cover almost any possible topic," Mr. Lord said, and his team cannot look into each reported piece. If campaigns need connections to social media companies, he said, "we're happy to make some."

In September, President Trump's re-election campaign released an ad that included an incorrect statement about Mr. Biden's dealings with Ukraine. The campaign posted the ad on Facebook and the president's Twitter account. Between the two services, the ad has been viewed more than eight million times.

Mr. Biden's campaign publicized letters that it had written to Facebook, Twitter, YouTube and Fox News, asking the companies to ban the ad. But it remained up. In mid-November, the Biden campaign released a website called Just the Facts, Folks.

Jamal Brown, a spokesman for the Biden campaign, said it was not the campaign's responsibility alone to push back on all falsehoods. But, he said, "it is incumbent upon all of us, both public- and private-sector companies, users, and elected officials and leaders, to be more vigilant in the kinds of content we engage and reshare on social media."



Lisa Kaplan, who led a 2018 campaign's disinformation-fighting team, knows of no similar efforts in the 2020 election cycle.

Several months ago, a team at the Democratic Congressional Campaign Committee flagged some ads on Facebook to the office of Representative Ilhan Omar, a Minnesota Democrat. The ads called for an investigation into unfounded accusations that she had violated several laws.

After the committee and Ms. Omar's campaign contacted Facebook, the company said it would limit the prominence of the ads in people's feeds. But the ads, which have now reached over one million views, remain active.

Facebook does not remove false news. It does label some stories as false through a partnership with fact-checking organizations. It has said politicians like Mr. Trump can run ads that feature their "own claim or statement — even if the substance of that claim has been debunked elsewhere."

Last month, Twitter announced plans to forbid all political ads. But the company does not screen for false accusations. Twitter said it did not want to set a precedent for deciding what is and is not truthful online.

In an email, Ms. Omar said it was "not enough" to rely on private companies.

"We as a nation need to think seriously about ways to address online threats to our safety and our democracy while protecting core values like free speech," she said.

Academics and researchers said it was surprising how little outreach there had been from campaigns that faced disinformation operations. Many of the researchers can dissect when a false idea first appeared online, and how it spread.

Nick Corasaniti contributed reporting.

Doling out big money to break up Big Tech

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Monopoly that are meant to call out inequities in the economy.

Mr. Hughes will also finance some groups doing academic research on corporate concentration and intends to support more researchers in the future.

"If you're going to see real change, you need a community of scholars who are in dialogue with one another," he said.

Money is already flowing to campuses. In November, the Knight Foundation allocated \$3.5 million to researchers to examine questions about digital platforms, including competition issues.

The foundation, along with Mr. Omidyar's philanthropic network, has also provided the money to introduce an antitrust-focused initiative at Yale's business school. Sam Gill, a Knight senior vice president, said the foundation had not yet taken a position on whether there should be an antimonopoly movement but felt it was important to finance inquiries into the questions posed by major tech companies.

In recent years, more potential solutions to corporate concentration have emerged. While some believe in aggressive approaches like breaking up companies, others prefer new regula-

tions or other measures.

At a conference at the University of Utah this fall, Dan Crane, a conservative law professor, challenged a group of participants including Tim Wu, a legal scholar and New York Times contributing opinion writer who is a leading voice calling for more aggressive antitrust enforcement. Mr. Crane pushed them to be more specific about the changes they would like to see in how antitrust laws are interpreted and enforced.

The group wrote a statement, later published by Mr. Wu, listing legal precedents the group hopes will be overturned and policies it hopes will be en-

acted. "Those who believe in a strong revival of antitrust, and a return to its antimonopoly roots, have a duty to specify what, exactly, they mean, in concrete, legal detail," the statement said.

Mr. Wu said that, among other purposes, the statement could be a test for judicial nominees. It's a focus reminiscent of the playbook that helped build the conservative legal movement — which in turn shaped the antitrust laws Mr. Wu and his allies criticize today. "Over a 30-year period, they won almost every one of those battles," Mr. Wu said. "They just sort of said, 'Here's what it should be,' and it happened."

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